STATE OF MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS LIQUOR CONTROL COMMISSION

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In the matter of the request of)
MICHIGAN WHOLESALERS	,
MICHIGAN WINE MAKERS	
MICHIGAN SMALL WINE MAKERS	

At the January 27, 2016 meeting of the Michigan Liquor Control Commission in Lansing, Michigan.

PRESENT: Andrew J. Deloney, Chairman Dennis Olshove, Commissioner

2016 PRODUCT ADJUSTMENT ORDER

On behalf of Michigan Wholesalers, Wine Makers and Small Wine Makers ("applicant") request is made for the Commission to review the annual approval to make alcoholic liquor product adjustments to retail licensees for beer, wine and mixed spirit drink for the 2016 calendar year under administrative rule R 436.1633 and R 436.1735(5).

Article IV, Section 40, of the Michigan Constitution (1963), permits the legislature to establish a Liquor Control Commission, which shall exercise complete control of the alcoholic beverage traffic within this state, including the retail sales thereof, subject to statutory limitations. MCL 436.1201(2) provides the Commission with the sole right, power, and duty to control the alcoholic beverage traffic and traffic in other alcoholic liquor within this state, including the manufacture, importation, possession, transportation and sale

thereof.

After reviewing the matter and discussion of the issue at the meeting, the Commission finds that this request should be APPROVED.

THEREFORE, IT IS ORDERED that:

- A. Product adjustments made by Wholesalers, Wine Makers and Small Wine Makers may be by refund in the amount paid for the product by the retail licensee or product replacement of like product on a one-for-one basis under administrative rule R 436.1633 and R 436.1735(5) for the following reasons:
 - 1. Outdated product.
 - 2. Seasonal closing of retail licensee.
 - 3. Retail licensee going out of business or placing license in escrow.
 - 4. Driver/Salesperson delivery error.
 - 5. Order error by retail licensee.
 - 6. Discontinuance of brand by supplier.
 - 7. License suspension or revocation.
 - 8. Short fill.
 - Off taste, off color, sediment in product, adulterated product, contaminated product, or spoiled product.
 - 10. Breakers or leakers at the time of delivery.
 - 11. IRS or Michigan Department of Treasury seizure.
 - 12. Saleable product not used by a Special licensee.

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B. Michigan beer wholesalers may exchange like products with retail licensees on a

one-for-one basis, for beer products nearing out of date code.

1. Wholesalers are strictly prohibited from making adjustments in the form of

cash or credit refunds on beer products nearing out of date code. These

adjustments are limited to product exchanges of like products on a one-

for-one basis.

MICHIGAN LIQUOR CONTROL COMMISSION

Andrew J. Deloney, Chairman

Dennis Olshove, Commissioner

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Date mailed: